groom's families is a kind of economic trade. Ordinarily relatives and friends also exchange gifts during each other's visits. This custom helps to adjust the distribution of products and handicrafts in the society. During the inspection team's stay at Liang Shan, except for a few poor white Lolo families who asked for silver in exchange for food, the majority of Lolo families all voluntarily prepared food for us by killing oxen, sheep, chickens, and pigs, or by boiling corn and potatoes, the kind of entertainment given us varying with the economic situation of each family. The inspection team usually estimated the amount of expenses incurred by the host and then gave him in return such gift articles as cloth, salt, scissors, mirrors, needles, and thread.

The distribution of wealth and goods among the Lolo was originally based on the principle of entertaining strangers and exchanging gifts. Since their contact with the Han-Chinese, however, a trade system has gradually developed. The medium of exchange is silver, measured by the ounce or in ingots. This traditional Han-Chinese system has now penetrated deeply into the Lolo community and is used consistently. Lolo currency is quite influential in the border area. Silver coins are still widely circulated in P'ing-shan and P'ing-i Ch'ang east of the Lolo territory.

The Lolo go to Han-Chinese cities or towns to buy commodities, the main items being salt, wine, cloth, and other articles of daily use. Lei-po, P'ing-pien, and Hsi-ning are all important trading towns for the Han-Chinese and the Lolo, who continuously [68] visit this area. The twelve Encha branches use Ma-pien and Hsi-ning as their trading centers, while the A-lo, A-cho, and the nine Sinicized Lolo families trade mostly in Lei-po.

The Lolo territory being beyond the control of the county government in border areas, the Lolo have been engaged in opium planting in recent years. The opium is exported and sold in the Han-Chinese territory with enormous profits. Therefore the Lolo's economic conditions are above those of the average Han-Chinese. The Lolo use the revenue from opium to trade for guns and silver in the Han-Chinese territory. In the early years of the Republic, when Yang Ch'un-fang's troops were stationed at Lei-po, they sold guns to the Lolo for a huge profit. Since then arms have flowed continuously into Liang Shan with the result that today nearly every Lolo household has a gun. As the circulation of silver money is prohibited by the government in the Han-Chinese territory, the ruffians there are engaged in the lucrative

621 democratic government exists in the I region of Liang-shan. The ability to unite, which may account partly for the difficulty of conquering them, is something which the Chinese should imitate. As the Lolo become more sinified, however, these virtues are gradually lost. In the region close to the Chinese there have recently been groups of warring Lolo who are anxious to submit to the Chinese in order to be able to defeat their Lolo enemies /with Chinese assistance/. Chinese officials often take advantage of these conditions to subjugate the I. This corrupt racial characteristic should not be further encouraged even for the sake of "accomplishing a greater good." These manifestations are nevertheless still rare in the I region of Liang-shan for its people have not yet been tainted with the many bad habits of the Chinese.

## A SKETCH OF THE LIVING CONDITIONS OF THE LOLO

241 High altitude and cold weather account for Liang-shan's inadequate agricultural production. Furthermore the Lolo have a low civilization and do not know how to develop their agriculture fully.
● 511 For this reason they still lead a primitive and hard life similar to that in the medieval ages, or, even to that of remote antiquity, while people in the not too distant city of Hsi-ch'ang enjoy 1941 standards of living. The difference between the living standards of the frontier Chinese and the Lolo is greater than the difference between those of the Chinese and the more prosperous peoples of Europe and America. There has always been a saying prevalent at the Szechwan frontier: "Break open Wan-shih-p'ing, and no poor man will be left in the world." Probably this slogan meant originally to encourage the Chinese to penetrate into the Lolo region, but it soon led to the erroneous belief that Liang-shan was of extraordinary richness, that in the very center of Wan-shih-p'ing there were mountains of gold, silver and riches, and that if one did not mind the fierceness of the Lolo /101/ and penetrated into their region, the wealth gained there could be used to assist the poor and thus sweep poverty away from the world. According to another saying, in Wan-shih-p'ing there were extremely large, highly productive rice fields, which could provide food for a large number of people. These sayings actually have no basis and do not correspond at all to reality.

As a matter of fact, the tenants,
427 for the sake of mutual protection, group themselves in hamlets and villages. Besides the nominal rent they pay, the laird has the right to make levies on them on special occasions, such as funerals, weddings, and when he has litigation in the Chinese courts. Each of the tenants also owes the laird so many days' labour during the year with his cattle, and this he pays in cultivating the land which the laird actually farms, and in gathering his crops. When the landlord has a dispute with another laird, his tenants are expected to follow him to the field if it comes to fighting, and to defend his residence if it is attacked.

427 These tenants, No-su and Miao, are very
• 511 poor, but, as far as I was able to judge, their
262 condition is not intolerable. Certainly they
342 appear to be better off than the peasantry were in France two hundred years ago, and than most of the peasantry are in Russia to-day. They live principally on maize, buckwheat, and oatmeal; their hovels are nearly always made of mud,
231 and badly thatched with straw. Many families have a pony, and all of them two or three cows, a few pigs, half a dozen or a dozen sheep and goats, and some fowls. The oxen are used for ploughing. Like the Chinese, they never milk their cattle and goats, and never use milk, butter,